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**FISCAL IMPACT STATEMENT**

**LS 6982**

**BILL NUMBER:** SB 223

**NOTE PREPARED:** Dec 30, 2010

**BILL AMENDED:**

**SUBJECT:** Medical Licensing Board Investigations.

**FIRST AUTHOR:** Sen. Miller

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State

**Summary of Legislation:** *Medical Licensing Board-* The bill authorizes the Medical Licensing Board of Indiana (MLB) to investigate and assess civil penalties for specified violations by licensed physicians.

*Attorney General-* The bill requires the Division of Consumer Protection within the Office of the Attorney General (AG) to forward complaints for specified violations to the MLB unless certain circumstances are met.

*Appeals-* The bill allows a physician who is determined by the MLB to have committed a violation to appeal the MLB's determination.

*Physician Compliance Fund-* The bill establishes the Physician Compliance Fund (PCF) consisting of penalties assessed and collected by the MLB for violations determined by the MLB through investigations. The bill makes an appropriation.

**Effective Date:** July 1, 2011.

**Explanation of State Expenditures:** *Medical Licensing Board-* The MLB would investigate complaints concerning licensed physicians that currently are investigated by the AG's Division of Consumer Protection. If many complaints are transferred from the Division of Consumer Protection, the MLB could require more meetings to conduct the additional hearings and appeals. Additional board meetings would result in more per diem paid to the members of the MLB to conduct the business brought on by investigations.

The Professional Licensing Agency (PLA) work group assigned to the MLB would see an increase in

workload to provide the administrative support to the MLB's investigations. The additional funds and resources required by the PLA could be supplied through existing staff and resources currently being used in another program or with new appropriations. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend on legislative and administrative actions.

*Attorney General* This provision would reduce the AG's Division of Consumer Protection administrative time devoted to MLB investigations.

**Explanation of State Revenues:** *Physician Compliance Fund*- The bill would establish the PCF to fund the administration and enforcement of investigations of physicians conducted by the MLB. The PCF would consist of revenue from civil penalties collected by the MLB from physicians that have been determined by the MLB to have committed a violation. The amount of revenue the PCF could receive is indeterminable, and would depend on the number of civil penalties assessed in future years by the MLB. The bill does not place a limit on the penalty amount that could be assessed by the MLB per violation.

Revenue in the PCF at the end of a state fiscal year would not revert to the state General Fund.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** AG, PLA.

**Local Agencies Affected:**

**Information Sources:** Professional Licensing Agency.

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